



ARIZONA DEPARTMENT OF ECONOMIC SECURITY INTERGOVERNMENTAL AGREEMENT (IGA)

This Contract/Intergovernmental Agreement (IGA) is between the Arizona Department of Economic Security (ADES) the "Department" and the Arizona Department of Health Service (ADHS), the "Contractor."

WHEREAS the Department is duly authorized to execute and administer contracts under A.R.S. §41-1954; and

WHEREAS the Contractor is duly authorized to execute and administer contracts under A.R.S. §36-104 and 36-132; and

WHEREAS by signing this form on behalf of the Contractor, the Signatory certifies he/she has the authority to bind the Contractor to this Contract; and

WHEREAS the Department and the Contractor are authorized by A.R.S. §11-951 *et seq.* to enter into agreements for the joint exercise of any power common to the contracting parties as to governmental functions necessary to the public health, safety and welfare, and the proprietary functions of such public agencies;

THEREFORE the Department and Contractor agree to abide by all the terms and conditions set forth in this Contract.

FOR AND ON BEHALF OF THE ADES:

Procurement Officer Signature

Typed or Printed Name

Title/Position

Date

DE070206-001

ADES/Contract Number

FOR AND ON BEHALF OF THE ADHS:

Authorized Signature

Typed or Printed Name

Title/Position

Date

Contractor/Contract or I.D. Number

IN ACCORDANCE WITH A.R.S. §11-952 THIS CONTRACT HAS BEEN REVIEWED BY THE UNDERSIGNED WHO HAVE DETERMINED THAT THIS CONTRACT IS IN APPROPRIATE FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO EACH RESPECTIVE PUBLIC BODY.

ARIZONA ATTORNEY GENERAL'S OFFICE:

By: _____
Assistant Attorney General

Date: _____

By: _____
Public Agency Legal Counsel

Date: _____

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1.0 PARTIES

1.1 This Intergovernmental Agreement (IGA) is between the Arizona Department of Economic Security, Rehabilitation Services Administration, hereafter referred to as ADES/RSA, and the Arizona Department of Health Services, Division of Behavioral Health Services, hereafter referred to as ADHS/DBHS.

1.2 In consideration of the mutual representations and obligations hereunder, the ADES/RSA and the ADHS/DBHS agree to abide by all the terms and conditions set forth herein.

2.0 TERM

2.1 The term of this agreement shall be January 1, 2007 and shall terminate on December 31, 2007, subject to the termination provisions contained herein. This agreement may be extended for four (4) one-year periods; the term may not exceed a total of five (5) years.

3.0 AUTHORITY

3.1 ADES/RSA is authorized to enter into this agreement pursuant to A.R.S 35-148 and 41-1954 and in accordance with the Rehabilitation Act of 1973 as amended and implementing regulations (34CFR 361.27).

3.2.1 ADHS/DBHS has authority to contract for services specified in this Agreement in accordance with A.R.S.36-104 and 36-132.

3.2.2 ADHS/DBHS and its tribal and regional behavioral health authorities (T/RBHAs), perform joint activities pursuant to contract which meet the definition of an Organized Health Care Arrangement (OHCA) as defined by the Health Insurance Portability and Accountability Act (HIPAA) Privacy Standard at 45 CFR 164.501. Because of the OHCA relationship, ADHS/DBHS may on behalf of the T/RBHAs enter into a Business Associate Agreement with ADES/RSA as defined by the HIPAA Privacy Act at 45 CFR 160.103.

4.0 PURPOSE OF AGREEMENT

4.1 The purposes of this IGA are to:

- a. Ensure coordination, cooperation and collaboration efforts between ADHS/DBHS and ADES/RSA in order to secure funding and provide complementary service delivery that will improve access to vocational rehabilitation and mental health services for individuals with serious mental illness statewide.
- b. Serve as a framework for bringing together the resources of two systems, building upon existing efforts and facilitating a broad spectrum of joint State and local initiatives.
- c. Increase employment success and enhance the ability of the target population to take their rightful places as participating members of the workforce and in their communities.
- d. Ensure the full inclusion of community partners in the service delivery, including Community Rehabilitation Providers, persons receiving services, advocates, family members, employers, training facilities and other pertinent stakeholders from communities.

4.2 The agreement contains procedures for coordination of services, conditions, terms, financial responsibilities, and interagency dispute resolution.

5.0 JOINT MISSION/ VALUE STATEMENT

5.1 The mission of this agreement is to increase the number of employed Arizonans with serious mental illness enrolled with ADHS/DBHS and eligible for ADES/RSA Vocational Rehabilitation (VR) services who are successful and satisfied with their vocational roles and environments using the combined talents, commitment and resources within ADES/RSA and ADHS/DBHS.

5.2 Recovery for individuals with serious mental illness is dependent on a philosophy within both the mental health and vocational rehabilitation system that work and economic self-sufficiency are an integral part of planning for all individuals diagnosed with serious mental illness, and that meaningful work provides opportunities for community integration and reduces the need for expensive mental health interventions.

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5.3 ADES/RSA and ADHS/DBHS commit to the following shared values in the accomplishment of the mission:

1. Person-centered and person-driven services, as demonstrated by:
 - a. Assisting persons in formulating their vision of recovery;
 - b. Recognizing and supporting the person's vision of recovery;
 - c. Providing information, education and assistance to empower persons in making decisions regarding vocational, treatment and support services to achieve their goals;
 - d. Building partnerships that support collaboration, communication and coordination in the planning and provision of vocational, treatment, and support services; and
 - e. Providing an array of community-based opportunities, ensuring integration with non-disabled community members.
2. Effective and supportive management as demonstrated by:
 - a. Maximum and efficient use of resources;
 - b. Respect and support for the unique roles and responsibilities of involved agencies, including service delivery staff and employers;
 - c. Flexibility at all levels.
3. Support and encourage community rehabilitation programs and behavioral health providers to work collaboratively as partners to streamline processes and expand outcomes.
4. Strive for continuous improvement in the quality and timeliness of services delivered by:
 - a. Evaluating network gaps and identifying innovative programs and/or services;
 - b. Streamlining processes;
 - c. Utilizing best practices and promising practices; and
 - d. Focusing on employment outcomes.

6.0. APPLICABLE REGULATIONS

6.1 ADES/RSA and ADHS/DBHS acknowledge the existence of the parameters under which this agreement shall operate. The parties agree to respect these conditions and to support compliance with the obligations under the following regulations:

1. Arnold v. Sarn Exit Stipulation and Supplemental Agreement;
2. Rules for Implementation of Services for persons with a Serious Mental Illness, Title IX, Chapter 21;
3. Rehabilitation Act of 1973, as amended (29 U.S.C. 701-744);
4. Maricopa County Plan for Employment and Rehabilitation dated June 15, 1999
5. ADES/RSA State Plan for Vocational Rehabilitation;
6. Employment Opportunities for Disabled Americans Act of 1986 (P.L. 99-643);
7. Protection and Advocacy for Mentally Ill Individuals Act of 1986 (P.L. 99-319);
8. ADHS/DBHS Covered Services Guide;
9. The Ticket to Work and Work Incentives Improvement Act (P.L. 106-170);
10. The ADES/RSA Order of Selection;
11. Supported Employment (under Title XIX of the Social Security Act) for persons diagnosed with a mental illness.
12. Health Insurance Portability and Accountability Act (HIPAA) Privacy and Security Standards at 45 C.F.R., Parts 160 and 164

7.0 INDIVIDUALS TO BE SERVED UNDER THIS AGREEMENT AND ELIGIBILITY CRITERIA:

- 7.1 Individuals served under this IGA shall be any person who is enrolled with the Regional Behavioral Health Authority (RBHA) or a Tribal Behavioral Health Authority (TBHA) as a person with serious mental illness by definition in Arizona Revised Statute (A.R.S. §36-550) and determined eligible for Vocational Rehabilitation (VR) Services as defined in the Rehabilitation Act of 1973 as amended (Section 102 (a) et al.; 34 CFR 361.42(a)). These clients will be referred to as "mutually eligible clients."
- 7.2 Potentially eligible clients who express their intent to work in their Individual Service Plan (ISP) shall be referred by RBHA/TBHA to the VR program. Vocational Rehabilitation (VR) Program assists individuals with disabilities to achieve economic self-sufficiency through meaningful and sustained employment.

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7.3 The following eligibility criteria for the VR program apply:

- a. A determination that an individual has a physical or mental impairment,
- b. The impairment constitutes or results in a substantial impediment to employment,
- c. A presumption that the applicant can benefit in terms of an employment outcome. Employment outcome means, with respect to an individual entering or retaining full-time or, if appropriate, part-time competitive employment, in the integrated labor market supported employment, or any other type of employment in an integrated setting (including self-employment, telecommuting, or business ownership) that is consistent with an individual's strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice.
- d. The individual requires vocational rehabilitation services to prepare for, enter into, engage in or retain gainful employment consistent with the applicant's strengths, resources, priorities, concerns, abilities, capabilities and informed choice.
- e. Any eligible individual, including social security beneficiaries, must intend to achieve an employment outcome. The applicant's completion of the application process for vocational rehabilitation services is sufficient evidence of the individual's intent to achieve an employment outcome.
- f. Social security beneficiaries under Title II and XVI of the Social Security Act are presumed eligible for VR services through ADES/RSA unless there is clear and convincing evidence that the applicant is incapable of benefiting in terms of an employment outcome from vocational rehabilitation services due to the severity of the applicant's disability.

7.4 The Rehabilitation Act of 1973, as amended (29 U.S.C. 701-744), established an Order of Selection to prioritize ADES/RSA services for individuals with most significant disabilities. The Order of Selection does not impact ADES/RSA eligibility under this agreement. ADES/RSA will notify ADHS/DBHS in writing thirty (30) days prior to implementing any changes to the Order of Selection.

7.5 ADES/RSA will notify ADHS/DBHS in writing when there is a lack of capacity to serve individuals under this agreement and whether there is financial impact as a result. ADES/RSA will also identify when they anticipate VR services will be continued or reestablished. ADES/RSA and ADHS/DBHS will jointly develop a process to triage referrals and ensure that there is no disruption in service delivery.

7.6 ADHS/DBHS will notify ADES/RSA in writing when there is anticipated increase or decrease in T/RBHA-enrolled individuals with serious mental illness that may impact service provision under this agreement.

8.0 GENERAL SERVICE PROVISION

8.1 Persons served through this agreement shall be eligible for any and all services that they may otherwise receive from ADES/RSA and ADHS/DBHS without this agreement.

8.2 An individual's intent to achieve an employment outcome means an employment goal on their Individual Service Plan (ISP), which shall prompt the T/RBHA staff to complete a referral for DES/RSA services, if one has yet not been completed.

8.3 ADES/RSA and ADHS/DBHS agree to cooperatively develop and maintain services to meet the vocational needs of persons who have serious mental illness. VR Services should be provided in the most integrated setting possible that will allow for integration of mutually eligible clients in the community.

8.4 ADES/RSA and ADHS/DBHS will ensure the availability of a full continuum of services necessary for assisting persons in their recovery and achieving their employment goals.

8.5 Clinical Team/Recovery Team members (e.g. Case Manager, Clinical Liaison, Psychiatrist/Nurse Practitioner, Rehabilitation Specialist, Nurse, Behavioral Health Service Providers, etc. who are responsible with the individual for developing and overseeing the service plan) including the ADES/RSA Counselors, will advocate for and link individuals to community services to maximize existing and available supports (e.g. Pell Grants, University/Community College Student Services, faith-based organizations, One-Stop Center, etc.) to facilitate integration into the community.

8.6 In order to provide a continuum of services when transitioning employment/rehabilitation services between the ADES/RSA service system and the ADHS/DBHS service system (e.g. prevocational and extended supported

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employment services), both State agencies will utilize, as needed and appropriate, service providers who are contracted with both ADES/RSA and ADHS/DBHS.

- 8.7 The concepts of co-location of services and a “one-stop” service delivery are preferred. Based on the Collaborative Protocols between the Regional Behavioral Health Authorities and ADES/RSA Regions and availability of space, ADES/RSA staff will provide orientation, information, intakes, and Individual Plan for Employment (IPE) planning services at T/RBHA clinical program sites.
- 8.8 ADHS/DBHS in coordination with the T/RBHAs will ensure functional workspace for ADES/RSA staff to carry out the service objectives stated in Section 8.7.

9.0 REHABILITATION SERVICES ADMINISTRATION RESPONSIBILITIES

ADES/RSA will:

- 9.1 Provide vocational rehabilitation services to assist mutually eligible clients to become self-sufficient through meaningful and sustained work in support of their recovery process. An Individualized Plan for Employment (IPE) for each eligible client will be developed and the specific vocational rehabilitation services needed to achieve the employment outcome will be provided. Vocational rehabilitation services include, but are not limited to, the following:
- a. Vocational counseling and guidance;
 - b. Career exploration, vocational assessment, job planning and supported education;
 - c. Work exploration and work adjustment activities;
 - d. Specific job preparation (including educational opportunities, on-the-job training, other skill building activities, retraining);
 - e. Individual job development and placement;
 - f. Transitional employment placements;
 - g. Supported employment services will be provided consistent with the person’s individual needs and until job stability is achieved for a minimum of 90 days;
 - h. Vocational support services such as tools, supplies and assistive technology services (including adaptive aids/devices, etc), as needed.
- 9.2 Ensure there is an adequate number of dedicated staff to provide services in each geographic region under this agreement.
- 9.3 Train Vocational Rehabilitation counselors to work with persons diagnosed with serious mental illness in coordination with the local behavioral health clinical staff by:
- 1. Participating as a member of the clinical/recovery team in Individual Service Plan sessions upon request to:
 - a. Discuss a potential referral when an individual intends to work
 - b. Provide recommendations and/or information for those currently receiving vocational services through ADES/RSA.
 - c. Inform the clinical team when developing Extended Supported Employment plans for persons who have successfully completed the ADES/RSA program; and
 - d. Participate in Annual Review meetings for clients closed as successfully rehabilitated by the ADES/RSA program to determine ongoing needs of the person.
 - 2. Notifying ADHS/DBHS when problems occur regarding notification and scheduling of ISP sessions. ADES/RSA and ADHS/DBHS will work with the regional representative in the relevant area(s) to develop strategies to correct deficiencies and improve performance.
- 9.4 Develop and implement contracts with community providers to meet the vocational needs of persons with a serious mental illness within the region consistent with the Regional Vocational Plans and the mission of this agreement.
- 9.5 Establish a Statewide Coordinator for Behavioral Health whose primary functions will be to:
- a. monitor and evaluate requirements of this agreement;

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- b. ensure that all goals and objectives assigned to ADES/RSA under this agreement are met;
- c. cooperate and coordinate with the ADHS/DBHS Statewide IGA Employment Coordinator the service provision under this agreement;
- d. ensure accurate accounting of expenditures;
- e. plan and propose new programs and initiatives;
- f. jointly with ADHS/DBHS Statewide IGA Employment Coordinator participate in program review to maintain consistency of the service provision; and
- g. provide technical support to ADES/RSA staff directly involved in the service delivery under this agreement.

10.0 ARIZONA DEPARTMENT OF HEALTH SERVICES/DBHS RESPONSIBILITIES

ADHS/DBHS shall:

- 10.1 Provide the following behavioral health services (see the ADHS/DBHS Covered Behavioral Health Services Guide www.azdhs.gov/bhs/covserv.htm for descriptions of specific services) through the Regional Behavioral Health Authorities (RBHAs) and Tribal Behavioral Health Authorities (TBHAs):
 - a. Treatment;
 - b. Rehabilitation, including prevocational services (e.g. services that focus on engaging the person, increasing their readiness and commitment to establishing a vocational goal, enhancing self awareness, exploring attitudes and beliefs related to employment and/or improving self care/hygiene, health, self direction/personal responsibility and interpersonal skills) and extended supported employment (ESE) services when an individual reaches the ADES/RSA VR status 22;
 - c. Medical;
 - d. Crisis Intervention;
 - e. Inpatient;
 - f. Residential;
 - g. Behavioral Health Day Programs; and
 - h. Support Services.
- 10.2 Ensure that contracts are developed with community providers to provide behavioral health services for individuals engaged in vocational programming or who are working, including prevocational and extended supported employment (ESE) services. Commitments to provide ESE services must be made prior to the implementation of an ADES/RSA IPE for individuals who will need such supports. The level of ESE services provided for persons who have successfully completed the ADES/RSA Program shall be consistent with the person's ISP.
- 10.3 Ensure that the T/RBHA s participate in the activities outlined in this agreement including the development of collaborative protocols with ADES/RSA. A description of how ESE services will be provided in each region and the mechanisms for communicating changes in ADES/RSA status must be included in the protocols.
- 10.4 Establish an ADHS/DBHS Statewide IGA and Employment Coordinator whose primary function is to oversee the requirements in the IGA including: co-facilitating with the ADES/RSA Statewide IGA Project Coordinator meetings; ensuring accurate accounting of expenditures; planning and proposing new programs and initiatives; joint program review, maintaining consistency of provision of services; and oversight of the regional vocational plans.
- 10.5 Ensure that the Maricopa County RBHA incorporates and follows the Maricopa County Plan for Employment and Rehabilitation dated June 15, 1999, and approved by the Court.
- 10.6 In conjunction with the T/RBHAs, hold regular coordination meetings within each region (minimum of quarterly) involving community providers, ADES/RSA staff and representative clinical staff to facilitate communication and planning.
- 10.7 Participate and assist in the training of providers, counselors, and clinical teams.

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11.0 JOINT RESPONSIBILITIES

- 11.1 Training and technical assistance related to vocational programming is the responsibility of both the ADHS/DBHS through the T/RBHA and the ADES/RSA.
- a. ADES/RSA and ADHS/DBHS will identify a list of core trainings to be offered annually, as agreed upon in the Statewide Annual Vocational and Rehabilitation Services and Provider Network Development Plan, including the distribution and education on the collaborative agreements and ADES/RSA and T/RBHA Regional Vocational Plans.
 - b. Training and technical assistance shall be available to the following target groups and should focus on inclusion of ADES/RSA and T/RBHA behavioral health staff:
 - i. Community rehabilitation program staff and contracted providers,
 - ii. The ADES/RSA counselors supervisors and administrators,
 - iii. Clinical team staff providing services to persons with a serious mental illness,
 - iv. Persons receiving services, family members and advocates.
 - c. ADES/RSA and ADHS/DBHS vocational staff, T/RBHA clinical staff and providers will encourage participation in trainings.
 - d. ADES/RSA and ADH/DBHS will provide technical assistance to each other in areas specific to roles, contracting and understanding of processes, policies and regulations.
- 11.2 Upon agreement, ADES/RSA and ADHS/BHS will set aside funds for service development projects for Rural and Urban areas to develop new or to enhance existing programs based on best practices, innovative approaches and network gaps. These funds will be set aside as long as the appropriation does not impact direct client services.
- 11.3 ADES/RSA and ADHS/DBHS will establish a joint review and approval timeframe and process for funding proposals for development to ensure that projects funds shall be dispersed within 120 days of availability.
- 11.4 ADHS/DBHS and ADES/RSA will participate jointly in Program Review and Quality Improvement processes, including but not limited to:
- a. Quarterly joint Case File Reviews including “Arnold vs. Sarn” auditing and/or ADES/RSA Special Population Reviews.
 - b. ADES/RSA and ADHS/DBHS will both use existing monitoring standards, whenever possible, when conducting on-site reviews of mutual contracted providers. If unable to use existing monitoring standards, ADES/RSA and ADHS/DBHS will jointly develop monitoring standards and minimum program standards (e.g. array of jobs and settings, relationships with employers, outcomes).
- 11.5 ADES/RSA and ADHS/DBHS will explore and agree to methods for improving programs and outcomes for persons diagnosed with serious mental illness. This includes, but is not limited to:
- a. Statewide Performance Improvement Activities as outlined in the Statewide Annual Vocational and Rehabilitation Services & Provider Network Development Plan and the Annual ADES/RSA and T/RBHA Regional Vocational Plans.
 - b. ADES/RSA and ADHS/DBHS will actively participate in establishing, monitoring and tracking of statewide performance improvement activities to improve the quality and delivery of services through this agreement. During the third quarter of the fiscal year, ADHS/DBHS and ADES/RSA will jointly identify areas to focus on for performance improvement activities. Performance improvement activities will be identified within 90 days of execution of this agreement for the first contract year. Areas will be based on recommendation from the IGA Advisory Committee.
- 11.6 Jointly apply for available Federal grants, when possible.
- 11.7 Engage in other activities and projects which lead to the recovery and employment of individuals diagnosed with serious mental illnesses.
- 11.8 ADES/RSA and ADHS/DBHS have established an advisory committee to this agreement (hereafter referred to as IGA Advisory Committee) that shall meet once each quarter and shall be responsible for the following:
- a. Review of the Statewide Annual Vocational and Rehabilitation Services and Provider Network Development Plan, the Annual ADES/RSA and T/RBHA Regional Vocational Plans and the ADES/RSA Quarterly Report;

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- b. Develop recommendations for the resolution of identified operational issues;
- c. Review and make recommendations regarding trainings, performance improvement activities and service development projects for all parties involved in serving this target population;
- d. Forward minutes of the meetings to the ADES/RSA and ADHS/DBHS management;
- e. Develop subcommittees as necessary.

11.9 The IGA advisory committee shall be comprised of, at a minimum, the following members:

- a. ADES/RSA IGA Statewide Project Coordinator and ADHS/DBHS Statewide IGA and Employment Coordinator
- b. ADES/RSA Program Managers or their designees
- c. ADHS/DBHS appointed T/RBHA Clinical Representatives
- d. Persons receiving Vocational Services under this IGA selected to participate based on recommendations from the Project Coordinators and approved by the ADES/RSA and ADHS/DBHS administration.
- e. ADES/RSA and Behavioral Health contracted providers selected to participate based on recommendations from the Project Coordinators and approved by the ADES/RSA and ADHS/DBHS administration.
- f. Other interested parties shall be informed of scheduled meetings and invited to attend.

12.0 REPORTS AND PLANNING DOCUMENTS - DELIVERABLES

12.1 ADES/RSA Quarterly Report will be submitted to ADHS/DBHS Division Chief for Clinical and Recovery Services and will be submitted to ADHS/DBHS and the IGA Committee due according to the following schedule:

| <u>Due to ADHS/DBHS on:</u> | <u>For the reporting period:</u> |
|-----------------------------|----------------------------------|
| October 15 | July 1 through September 30 |
| January 15 | October 1 through December 31 |
| April 15 | January 1 through March 31 |
| August 15 | April 1 through June 30 |

The Quarterly Reports shall include:

- A. Administrative (Fiscal/Staffing) data
 - 1. Expenditures for contracted and non-contracted services in the following budget categories: Personnel, Employee Related Expenditures, Professional & Outside Services, Equipment, Travel, Aid to Organizations, Other Operating Expenses, IT Direct & Indirect charges, if applicable.
 - 2. Number of ADES/RSA staff for each region, including the amount of time (% of FTE) dedicated to activities and services delivered under this agreement, at the end of each quarter.
 - 3. Whether the overall average of ADES/RSA Counselor's caseloads exceed 65 individuals if providing services solely to individuals with a serious mental illness or 90 if providing services to multiple populations. When the overage caseloads exceed these averages, a meeting will be conducted within ten (10) business days between the ADES/RSA and ADHS/DBHS Statewide IGA and Employment Coordinators to identify strategies and/or mechanisms to address areas of concern (e.g. redistribution of caseloads, reassignment of staff, hiring additional staff).
- B. Programmatic data
 - 1. Number of applicants per Region;
 - 2. Client acceptance rates per Region;
 - 3. Cumulative number of clients served per Region;
 - 4. Median number of days from an ADES/RSA referral to an approved IPE;
 - 5. Number of persons placed on a waiting list as a result of the Order of Selection;
 - 6. Number of clients engaged in vocational activities (e.g. work experiences, preparation for work, supported employment, etc.) during the period;
 - 7. Data for persons successfully employed, including retention of employment, average wage and hours employed
 - 8. Number of successful closures with ESE plan recommendations;
 - 9. Number of "reopened" cases and/or served in post-employment status (for persons who were successfully employed and closed).
- C. Network/Service Delivery data
 - 1. Providers lost and gained that are jointly contracted with ADES/RSA and T/RBHAs, including the name of provider, contracted capacity, counties served, and an analysis of the impact on the sufficiency of the network, as applicable.

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2. Where, as a result of the loss of a provider, service provision or availability is impacted, ADES/RSA and ADHS/DBHS shall develop a plan for addressing the gap and the plan for transitioning persons to appropriate alternate services.
- D. Training data
 1. Trainings provided under this IGA during the quarter including a summary of the training evaluations, as applicable.
 2. List of upcoming trainings to be conducted in the next quarter.
- E. Performance Improvement Activities
 1. Status update, as applicable, on identified performance improvement activities and measures.
 2. Findings and/or recommendation as a result of performance improvement activities and or monitoring activities.
- F. Annual Deliverable
 1. A report indicating whether the vacancy exceeds 10% for ADES/RSA Vocational Counselors. Any cost saving from vacancies will be used to fund programs/projects jointly developed by ADES/RSA and ADHS/DBHS.

12.2 Annual ADES/RSA and T/RBHA Regional Vocational Plan

1. The ADES/RSA Statewide Coordinator for Behavioral Health and ADHS/DBHS Statewide IGA and Employment Coordinator will be responsible for overseeing the completion of the Annual ADES/RSA and T/RBHA Regional Vocational Plan. The Plan shall be developed by the 15th of June each year by ADES/RSA and T/RBHA staff representing the applicable regions(s).
2. ADES/RSA and ADHS/DBHS will jointly establish a format that includes, but is not limited to the following:
 - a. Accomplishments toward meeting performance targets and timeliness contained in the Statewide Annual Vocational and Rehabilitation Services and Provider Network Development Plan.
 - b. Strategies and targeted performance improvement activities for the next fiscal year.
 - c. Review of implementation and effectiveness of the Collaborative Protocol jointly developed by DES/RSA and the applicable T/RBHAs.
 - d. Review and analysis of the quarterly administrative and programmatic data generated by ADES/RSA and information related to individuals who were successfully rehabilitated and closed in the ADES/RSA program and who received/are receiving extended supported employment services.
 - e. Client satisfaction and complaints information.
 - f. Local training plans and activities. As necessary, a joint-agency task force (including providers and individuals receiving services under this IGA) shall be convened to make recommendations regarding training plans and training activities.
 - g. Program enhancement and/or expansion efforts to be undertaken including co-location, if applicable.
 - h. Other activities and projects, which lead to the recovery and employment outcomes of individuals diagnosed with serious mental illnesses
3. The ADES/RSA and T/RBHA Regional Vocational Plans shall be reviewed bi-annually and a progress report given at the IGA Committee Meeting.

12.3. Statewide Annual Vocational and Rehabilitation Services & Provider Network Development Plan

1. The ADES/RSA Statewide Coordinator for Behavioral Health and ADHS/DBHS Statewide IGA and Employment Coordinators will be responsible for the completion of the Statewide Annual Vocational and Rehabilitation Services & Provider Network Development Plan by the 31st of August each year.
2. The plan shall include the following:
 - a. Summary of key areas, progress and issues identified through the IGA Committee, the quarterly ADES/RSA Contractor's Quarterly Reports and the ADES/RSA and T/RBHA Regional Vocational Plans.
 - b. Agreed upon Statewide performance improvement areas and activities for improving programs and vocational outcomes for persons diagnosed with serious mental illness.
 - c. Establishment, monitoring and report on statewide performance improvement activities using the following three levels of performance will be used for performance improvement activities:
 - i. Minimum Performance Standard is the minimally expected level of performance.
 - ii. Goal is a reachable standard for a given performance indicator for the year.
 - iii. Benchmark is the ultimate standard to be achieved.
 - d. Strategies when the minimum standard for any indicator is not achieved or when an indicator declines to a level below the established minimum performance standard.

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- e. Training needs and planned activities.
- f. Network sufficiency, review of jointly established service development projects and identification of future projects to be proposed.
- g. Unmet service needs/gaps in service.

12.4 Copies of Statewide Annual Vocational and Rehabilitation Services & Provider Network Development Plan including signed copies of the ADES/RSA Region and T/RBHA Regional Vocational Plans (and as applicable any amendments) shall be provided to the ADES/RSA Administrator and ADHS/DBHS Clinical and Recovery Services Division Chief by August 31st of each year.

13.0 FUNDING/BUDGET

- 13.1 ADHS/DBHS agrees to transfer to ADES/RSA 21.3 % of the annual budget in non-Federal funds for the purpose of matching Federal basic support grant dollars to create funds for the service provision under this agreement. ADHS/DBHS will advance the funds to the ADES/RSA on a quarterly basis. The ADES/RSA agrees to request funds from ADHS/DBHS thirty (30) days prior to the end of the quarter. The ADHS/DBHS will initiate a transfer document to ADES/RSA for each quarter.
- 13.2 In order to carry out the activities under this agreement, ADES/RSA shall submit an annual budget to ADHS/DBHS that lists the number of funded FTEs by each of the agreed on service delivery areas in the following categories:
- a. Vocational Rehabilitation Counselors,
 - b. Field Support staff (such as rehabilitation technicians, purchasing and payment technicians, clerical support).
 - c. Central Office Administration and ADES/RSA Regional staff supported under this agreement.
 - d. Purchase of VR services for clients being served under this program;
- 13.3 Any unearned or unused ADHS/DBHS funds that have been advanced to ADES/RSA and remain in its possession at the end of each year shall be carried forward to the following year to be used for programs/projects jointly developed and approved by ADHS/DBHS and ADES/RSA.
- 13.4 Substantial changes to the budget shall be reviewed and approved by both ADHS/DBHS and the ADES/RSA administration before implementation. Whenever there is a 10% increase in any budget category, any such increase must be offset by an equal value decrease in another category. Any modification to the budget more than 10% shall be considered substantial and a written amendment to this agreement is necessary.
- 13.5 Both parties agree that the ADES/RSA Statewide Coordinator for Behavioral Health and ADHS/DBHS Statewide IGA and Employment Coordinator positions shall be funded under this agreement and shall be responsible for the duties and responsibilities as outlined in jointly developed job description/scope of work.
- 13.6 ADES/RSA agrees to reimburse ADHS/DBHS on a quarterly basis for the ADHS/DBHS Statewide IGA and Employment Coordinator position funded under this agreement. The agreed upon ADHS/DBHS budget is included as an attachment to this agreement.
- 13.7 The transfer of funds from ADES/RSA to ADHS/DBHS shall be as follows:
- 1. ADHS/DBHS shall submit to ADES/RSA, within fifteen (15) days following the end of each quarter, a quarterly invoice of expenditures which specifies actual expenditures incurred in the following budget categories: Personnel, Employee Related Expenditures, Professional & Outside Services, Equipment, Travel, Other Operating Expenses, IT Direct & Indirect charges along with the Companion Transaction Entry/Transfer Document (GAO-614).
 - 2. ADES/RSA shall submit within ten (10) days after receipt of the transfer document from ADHS/BHS the funds due under this agreement.
- 13.8 ADES/RSA agrees to advance to ADHS/BHS the first quarter funding for the ADHS/DBHS Statewide IGA & Employment Coordinator position by January 30 of each year. The remaining (3) quarters will be reconciled quarterly thereafter, per 13.7 of this agreement.

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14.0 OTHER

14.1 In compliance with 45-CFR, Parts 160 and 164, ADES/RSA shall be a HIPAA Business Associate for purposes of sharing mutual client information (refer to attached Business Associate Agreement). ADES/RSA will conform to all requirements inherent in that designation. ADES/RSA shall disclose protected health information for use by the T/RBHA in the administration of its program, including vocational planning and assessments of vocational readiness. Information to be Disclosed will be the minimum necessary as needed for the purposes of this agreement:

- Name and Current Contact Information
- Date of Birth
- Social Security Number
- ADES/RSA Eligibility determination
- ADES/RSA Order of Selection determination
- Assessment documents
- Psychological and vocational planning information, current
- Individualized Plan for Employment, current
- Progress reports, current
- ADES/RSA staff information, current
- Other information to the extent required to meet the purposes of this agreement

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TERMS AND CONDITIONS

- 1.0 AGREEMENT TERM.** The term of this agreement shall begin January 1, 2007 and shall terminate on December 31, 2007 subject to the termination provisions contained herein. This agreement may be extended for four (4) one-year periods; the term may not exceed a total of five (5) years.
- 2.0 AMENDMENTS.** This Contract is issued under the authority of the Authorized Signatories who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the Authorized Signatory in writing or made unilaterally by either party are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and neither party shall be entitled to any claim under this Contract based on those changes.
- 3.0 ARBITRATION.** The parties to this Contract agree to resolve all disputes arising out of or relating to this contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. §12-1518, except as may be required by other applicable statutes (Title 41).
- 4.0 ASSIGNMENT OF DELEGATION**
Neither party may assign any rights hereunder without the express, written prior consent of both parties.
- 5.0 AUDIT.** Pursuant to A.R.S. §35-214, at any time during the term of this Contract and five (5) years thereafter, books and records of both parties may be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.
- 5.1** All books, accounts, reports, files and other records related to this agreement shall be kept for five (5) years after termination of this agreement, and shall be subject at all times to inspection and audit by either party. Such records shall be produced at the Auditor General's Office or at the requesting party's principal office within a reasonable time after their request.
- 6.0 AVAILABILITY OF FUNDS FOR THE NEXT STATE FISCAL YEAR.** Funds may not presently be available for performance under this Contract beyond the current fiscal year. No legal liability on the part of either ADHS or ADES for any payment may arise under this Contract beyond the current state fiscal year until funds are made available for performance of this Contract.
- 7.0 AVAILABILITY OF FUNDS FOR THE CURRENT STATE FISCAL YEAR.** Should the State Legislature enter back into session and reduce the appropriations for any reason and these goods or services are not funded, ADHS and/or ADES may take any of the following actions: a) Accept a decrease in services and or prices offered by the other party; or b) Cancel the Contract.
- 8.0 DISPUTES.** ADES/RSA and ADHS/DBHS will develop a Dispute Resolution Protocol and work actively in the resolution of system problems identified during the implementation of this agreement. In the event of any dispute, the Resolution Team consisting of the ADES/RSA Administrator, ADES/RSA Statewide Coordinator for Behavioral Health, ADHS/DBHS Clinical and Recovery Services Division Chief and the ADHS/DBHS Statewide IGA and Employment Coordinator will immediately attempt to resolve the dispute prior to taking formal action.
- 9.0 CANCELLATION FOR CONFLICT OF INTEREST.** Pursuant to A.R.S. § 38-511, ADES/RSA and ADHS/DBHS may cancel this Contract without penalty or further obligation if any person significantly involved initiating, negotiating, securing, drafting or creating the Contract on behalf of either party is or becomes at any time while the Contract or an extension of the Contract is in effect, an employee of or a consultant to any other party to the Contract with respect to the subject matter of the Contract. The cancellation shall be effective when written notice of the cancellation is received unless the notice specifies a later time. This is a duplicate of 23.0 and is not necessary.
- 10.0 COMPLIANCE WITH NON-DISCRIMINATION LAWS**
- 10.1** The parties shall comply with Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act, and State Executive Order No. 99-4 which mandates that all persons, regardless of race, color, religion, sex, age, national origin or political affiliation, shall have equal access to employment opportunities. The

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parties shall comply with the Rehabilitation Act of 1973, as amended, which prohibits discrimination in the employment or advancement in employment of qualified persons because of physical or mental handicap.

- 10.2 The parties shall comply with the Americans With Disabilities Act of 1990 (Public Law 101-336) and the Arizona Disability Act of 1992 (A.R.S. 41-1492 et seq.), which prohibit discrimination on the basis of physical or mental disabilities in delivering contract services or in the employment, or advancement in employment, of qualified persons.
- 11.0 **CONFIDENTIALITY.** ADES and ADHS shall comply with the provisions of Arizona Administrative Code R6-4-405, as it pertains to sharing client information with other agencies, individuals, or employers.
- 12.0 **FEDERAL IMMIGRATION AND NATIONALITY ACT.** By entering into the Contract, both parties warrant compliance with the Federal Immigration and Nationality Act (FINA) and all other Federal immigration laws and regulations related to the immigration status of its employees. Both parties shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Contract. Both parties and their subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U.S. Department of Labor's Immigration and Control Act, for all employees performing work under the Contract. I-9 forms are available for download at USCIS.GOV. The State may request verification of compliance for any party or its subcontractor performing work under the Contract. Should the State suspect or find that the a party or any of its subcontractors are not in compliance, the State may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Contract for default, and suspension and/or debarment.
- 13.0 **GOVERNING LAW**
This Contract shall be governed and interpreted by the laws of the State of Arizona.
- 14.0 **INDEMNIFICATION:**
Each party (as "Indemnitor") agrees to indemnify, defend, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

In addition, each party shall cause its contractor(s) and subcontractors, if any, to indemnify, defend, save and hold harmless the State of Arizona, any jurisdiction or agency issuing any permits for any work arising out of this Agreement, and their respective directors, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of a contractor of either party or any of the directors, officers, agents, or employees or subcontractors of such contractor. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by such contractor from and against any and all claims. It is agreed that such contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable.

Insurance Requirements for Governmental Parties to an IGA:
None.

Insurance Requirements for Any Contractors Used by a Party to the Intergovernmental Agreement:

(Note: this applies only to Contractors used by a governmental entity, not to the governmental entity itself.) The insurance requirements herein are minimum requirements and in no way limit the indemnity covenants contained in the Intergovernmental Agreement. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the governmental entity or Contractor from liabilities that might arise out of the performance of the work under this Contract by the Contractor, his agents, representatives, employees or subcontractors, and Contractor and the governmental entity are free to purchase additional insurance.

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- A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below.

1. **Commercial General Liability – Occurrence Form**

Policy shall include bodily injury, property damage, personal injury and broad form contractual liability.

| | |
|--|-------------|
| • General Aggregate | \$2,000,000 |
| • Products – Completed Operations Aggregate | \$1,000,000 |
| • Personal and Advertising Injury | \$1,000,000 |
| • Blanket Contractual Liability – Written and Oral | \$1,000,000 |
| • Fire Legal Liability | \$ 50,000 |
| • Each Occurrence | \$1,000,000 |

- a. The policy shall be endorsed to include the following additional insured language: ***“The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insured with respect to liability arising out of the activities performed by or on behalf of the Contractor”.***

(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)

- b. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2. **Automobile Liability**

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL) \$1,000,000

- a. The policy shall be endorsed to include the following additional insured language: ***“The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insured with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor”.***

(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)

3. **Worker's Compensation and Employers' Liability**

| | |
|-------------------------|-------------|
| Workers' Compensation | Statutory |
| Employers' Liability | |
| Each Accident | \$ 500,000 |
| Disease – Each Employee | \$ 500,000 |
| Disease – Policy Limit | \$1,000,000 |

- a. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

- b. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

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B. **ADDITIONAL INSURANCE REQUIREMENTS:** The policies are to contain, or be endorsed to contain, the following provisions:

1. The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees and the other governmental entity shall be additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by the Contract.
2. The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.
3. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of its Contract with the other governmental entity(ies) party to the IGA.

15.0 INVALIDITY OF PART OF THIS AGREEMENT

The parties agree that should any part of this agreement be held to be invalid or void, the remainder of the agreement shall remain in full force and effect and shall be binding upon the parties.

16.0 IT 508 COMPLIANCE. Unless specifically authorized in the Contract, any electronic or information technology offered to the State of Arizona under this solicitation shall comply with A.R.S. 41-2531 and 2532 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

17.0 LIABILITY

Neither party shall be liable for any purchase and/or contracts entered into by the other party in the execution of this agreement.

18.0 NOTICES

Notices, requests or demands given or made upon the parties hereto, pursuant to or in connection with this agreement, unless otherwise noted, shall be delivered in person or sent by United States Mail, postage prepaid, to the parties at their respective addresses as indicated in the Contact Information section of this document.

19.0 OFFSHORE PERFORMANCE OF WORK PROHIBITED. Due to security and identity protection concerns, direct services under this contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

20.0 PERSONAL USE OF CONTRACTS:

State employees and public officers shall not be permitted to purchase materials or services under this Contract for their own personal or business use unless authorized in writing by the Director of the Arizona Department of Administration, pursuant to A.A.C. R2-7-204.

21.0 USE OF FUNDS

Non-Federal funds to be transferred shall be used to accomplish the purpose of this agreement as described herein.

Intergovernmental Agreement

DE070206-001



CONTACT INFORMATION

- 1 All notices to AZDHS/DBHS regarding this contract are to be sent to the following addresses.
 - 1.1 AZDES/RSA shall submit all notices pertaining to **contract management** (amendments, etc.) and **contract service performance** to

Karen Boswell, Procurement Administrator
Office of Procurement
1740 West Adams Street Room 303
Phoenix, Arizona 85007
(602) 542-2929 FAX: (602) 542-1741
Email: boswelk@azdhs.gov
 - 1.2 AZDES/RSA shall submit all **invoices for payment** to

Jane Thompson, Division Finance Officer
150 N 18th Avenue, Suite 280
Phoenix, Arizona 85007
(602) 542-4724 FAX: (602) 542-4736
EMail: thompsonj@azdhs.gov
- 2 AZDHS/DBHS shall submit all notices to AZDES/RSA regarding this contract to the following address(es).
 - 2.1 Notices pertaining to **contract management** (amendments, etc.) and **contract service performance** shall be sent to

Paul Wilson, Assistant Manager, Program Services
1789 West Jefferson Street, 2nd Floor NW, Site Code 930A
Phoenix, Arizona 85007-3202
(602) 542-6260 FAX: (602) 542-3778
EMail: pwilson@azdes.gov
 - 2.2 ADHS/DBHS shall submit all **match payments** and notices pertaining to **billing** to

Gloria Escarcega, Assistant Finance Manager
1789 West Jefferson Street, 2nd Floor NW, Site Code 930A
Phoenix, Arizona 85007-3202
(602) 542-3351 FAX: (602) 542-3778
EMail: gescarcega@azdes.gov